Encouragement for setting up small, agro and rural industries in Punjab

2257. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Central Government propose to encourage the setting up small, agro and rural industries in Punjab;

(b) if so, what are the details thereof;

(c) what are the details of licences for setting up industries in Punjab which are pending for clearance with the Central Government;

(d) what steps Government propose to take to expedite the clearance of these pending licences; and

(e) what other benefits Government propose to give to encourage industries in Punjab?

THE MINISTER OF STATE IN THE DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES IN THE MINISTRY OF INDUSTRY (SHRI SRIKANTA JENA): (a) and (b) The Central Government is giving priority for setting up Small Scale Agro and Rural Industries in all States including Punjab. A paper on "Policy measures for the promotion of small scale and agro-based industries and changes in procedures for industrial approvals" was laid on the Table of the Rajya Sabha on 31-5-90.

(c) and (d) 99 Industrial Licences applications received for setting up of Industries in the State of Punjab upto 30-6-90 are at various stages of processing. It is the constant endeavour of the Government to dispose of IL applications expeditiously

(e) The policy paper, *inter-alia* provides for increase in the limit of investment in small scale, Ancillary and Tiny Units, reintroduction of Central Investment Subsidy for Small Scale Sector in rural and backward areas, adequate and timely flow of credit through SIDBI, review of reservation policy with a view to increase the items reserved for manufacture in Small Scale Sector, facilities for modernisation and technology upradation for small scale units, training facilities to entrepreneurs with particular emphasis on training of women and youth and simplification of procedures to reduce bureaucratic controls etc. The Government of Punjab can take full advantage of the incentives in the policy measures.

Cost of the second newsprint mill coming up in Punjab

2258. SHRI DIPEN GHOSH:
SHRI ASHIS SEN:

Will the Minister of INDUSTRY be pleased to state:

(a) whether Government attention have been drawn to news item appearing in the 'Economic Times' of the 23rd July wherein it has been reported that the second newsprint mill is coming up in Punjab for which the foundation stone was laid by Shri Rajiv Gandhi, the then Prime Minister on the 21st September, 1988;

(b) whether it is a fact that project was initially supposed to cost Rs. 200 crores;

(c) if so, what are the reasons for the rise in its cost to Rs. 305 crores; and

(d) what are the reasons for the delay?

THE MINISTER OF INDUSTRY (SHRI AJIT SINGH): (a) Yes, Sir.

(b) and (c) The Punjab Agro Industries Corporation Ltd. has reported that the reasons for increase in the project cost to Rs. 305 crores are general escalation in prices of inputs and depreciation in the value of the Rupee.

(d) Delay has been on account of acquisition of land and in obtaining environmental and pollution clearances etc.